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# **Town of Tushka, Oklahoma**

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Annual Financial Report  
June 30, 2022

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**TOWN OF TUSHKA, OKLAHOMA**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2022**

TOWN OF TUSHKA, OKLAHOMA  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2022

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Town of Tushka, Oklahoma  
Statement of Revenues, Expenditures and Changes in Fund Balance - Cash Basis  
General Fund  
For the Year Ended June 30, 2022  
(Unaudited)

Revenues	
Sales and use taxes	\$ 99,081
Franchise taxes	8,174
Alcoholic beverage tax	20,653
Gasoline excise tax	1,008
Motor vehicle tax	3,228
Cigarette tax	696
Fines and forfeitures	302,274
Rent income	1,594
Interest income	214
Other revenues	543
Grant proceeds	<u>49,307</u>
Total revenues	<u>486,772</u>
Expenditures	
General government	
Personal services	93,674
Materials and supplies	9,812
Other charges and services	31,427
Capital expenditures	1,125
Police department	
Personal services	90,027
Materials and supplies	21,001
Other charges and services	63,905
Capital expenditures	-
Fire department	
Personal services	4,793
Materials and supplies	-
Street department	
Personal services	3,250
Materials and supplies	2,175
Other charges and services	6,547
Capital expenditures	<u>6,150</u>
Total expenditures	<u>333,886</u>
Excess of revenues over (under) expenditures	152,886
Sales Tax Transfers to Police Dept Fund	(18,725)
Sales Tax Transfers to Fire Dept Fund	<u>(18,726)</u>
Excess of revenues and transfers over (under) expenditures	115,435
Beginning fund balance, cash basis	<u>194,390</u>
Ending fund balance, cash basis	\$ <u>309,825</u>

See Accountant's Report

Town of Tushka, Oklahoma  
 Budgetary Comparison Schedule - Cash Basis  
 General Fund  
 For the Year Ended June 30, 2022  
 (Unaudited)

	Original Budget	Budget Adjusts	Final Budget	Actual Amounts	Variance Positive (Negative)
<b>Revenues</b>					
Sales and use taxes	\$ 90,000	8,500	98,500	99,081	581
Franchise taxes	7,000	1,000	8,000	8,174	174
Alcoholic beverage tax	15,000	5,000	20,000	20,653	653
Gasoline excise tax	400	-	400	1,008	608
Motor vehicle tax	2,000	1,000	3,000	3,228	228
Cigarette tax	700	-	700	696	(4)
Fines and forfeitures	205,000	-	205,000	302,274	97,274
Rent income	1,000	-	1,000	1,594	594
Interest income	400	-	400	214	(186)
Other revenues	-	34,000	34,000	543	(33,457)
Grant proceeds	<u>165,748</u>	-	<u>165,748</u>	<u>49,307</u>	<u>(116,441)</u>
Total revenues	<u>487,248</u>	<u>49,500</u>	<u>536,748</u>	<u>486,772</u>	<u>(49,976)</u>
<b>Expenditures</b>					
General government					
Personal services	94,984	-	94,984	93,674	1,310
Materials and supplies	9,000	2,000	11,000	9,812	1,188
Other charges and services	30,000	2,500	32,500	31,427	1,073
Grant expenditures	180,000	-	180,000	1,125	178,875
Capital expenditures	<u>18,748</u>	-	<u>18,748</u>	-	<u>18,748</u>
Total general government	<u>332,732</u>	<u>4,500</u>	<u>337,232</u>	<u>136,038</u>	<u>201,194</u>
Police department					
Personal services	112,542	-	112,542	90,027	22,515
Materials and supplies	20,000	-	20,000	21,001	(1,001)
Other charges and services	55,000	10,000	65,000	63,905	1,095
Capital expenditures	<u>5,000</u>	-	<u>5,000</u>	-	<u>5,000</u>
Total police department	<u>192,542</u>	<u>10,000</u>	<u>202,542</u>	<u>174,933</u>	<u>27,609</u>
Fire department					
Personal services	3,000	3,000	6,000	4,793	1,207
Materials and supplies	-	-	-	-	-
Other charges and services	-	-	-	-	-
Capital expenditures	-	-	-	-	-
Total fire department	<u>3,000</u>	<u>3,000</u>	<u>6,000</u>	<u>4,793</u>	<u>1,207</u>
Street department					
Personal services	6,000	-	6,000	3,250	2,750
Materials and supplies	7,000	-	7,000	2,175	4,825
Other charges and services	8,000	-	8,000	6,547	1,453
Grant expenditures-SODA	-	7,500	7,500	6,150	1,350
Capital expenditures	-	-	-	-	-
Total street department	<u>21,000</u>	<u>7,500</u>	<u>28,500</u>	<u>18,122</u>	<u>10,378</u>
Total expenditures	<u>549,274</u>	<u>25,000</u>	<u>574,274</u>	<u>333,886</u>	<u>240,388</u>
Excess of revenues over or (under) expenditures	(62,026)	24,500	(37,526)	152,886	190,412
Transfers to other funds	<u>(35,100)</u>	-	<u>(35,100)</u>	<u>(37,451)</u>	<u>(2,351)</u>
Excess of revenues and transfers over or (under) expenditures	(97,126)	24,500	(72,626)	115,435	188,061
Beginning fund balance - cash basis	<u>194,264</u>	-	<u>194,264</u>	<u>194,390</u>	<u>126</u>
Ending fund balance - cash basis	\$ <u>97,138</u>	<u>24,500</u>	<u>121,638</u>	<u>309,825</u>	<u>188,187</u>

See Accountant's Report

Town of Tushka, Oklahoma  
Statement of Revenues, Expenditures and Changes in Fund Balances - Cash Basis  
Special Revenue Funds  
For the Year Ended June 30, 2022  
(Unaudited)

	Police Fund	Fire Dept Fund	Development Trust Fund
<b>Revenues</b>			
County sales taxes	\$ -	35,503	-
Loan Proceeds	-	-	-
Drug seizures	-	-	-
Charges, fees & donations	-	1,000	-
Grant proceeds	-	4,763	-
	<u>-</u>	<u>41,266</u>	<u>-</u>
Total revenues	<u>-</u>	<u>41,266</u>	<u>-</u>
<b>Expenditures</b>			
Professional services, grant contract	-	-	-
Personal Services-Retirement	-	2,052	-
Materials and supplies	4,316	2,991	-
Other charges and services	5,384	3,221	-
Capital expenditures	-	3,374	-
Debt service payments	8,743	-	14,088
	<u>18,443</u>	<u>11,638</u>	<u>14,088</u>
Total expenditures	<u>18,443</u>	<u>11,638</u>	<u>14,088</u>
Excess of revenues over (under) expenditures	(18,443)	29,628	(14,088)
Interfund Transfers		(18,726)	18,726
Transfers from General Fund	18,725	18,726	-
	<u>18,725</u>	<u>18,726</u>	<u>-</u>
Excess of revenues and transfers over (under) expenditures	282	29,628	4,638
Beginning fund balance - cash basis	132	136,964	4,914
	<u>132</u>	<u>136,964</u>	<u>4,914</u>
Ending fund balance - cash basis	\$ 414	166,592	9,552
	<u>414</u>	<u>166,592</u>	<u>9,552</u>
<b>Composition of ending fund balance</b>			
Held by Town in local bank account	\$ 414	6,294	9,552
Held by County Treasurer, new account	-	138,582	-
Held by County Treasurer, old account	-	21,716	-
	<u>-</u>	<u>160,298</u>	<u>-</u>
Total ending fund balance - cash basis	\$ 414	166,592	9,552
	<u>414</u>	<u>166,592</u>	<u>9,552</u>

Town of Tushka, Oklahoma  
Budgetary Comparison Schedule - Cash Basis  
Police Department Fund  
For the Year Ended June 30, 2022  
(Unaudited)

	<u>Original Budget</u>	<u>Budget Adjusts</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues					
Charges, fees & donations	\$ -	-	-	-	-
Grant proceeds	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Materials and supplies	4,500	(1,000)	3,500	4,316	(816)
Other charges and services	3,500	2,000	5,500	5,384	116
Debt service payments	9,600		9,600	8,743	857
Total expenditures	17,600	1,000	18,600	18,443	157
Excess of revenues over or (under) expenditures	(17,600)	(1,000)	(18,600)	(18,443)	157
Transfers from General Fund	17,550	1,000	18,550	18,725	175
Excess of revenues and transfers over or (under) expenditures	(50)	-	(50)	282	332
Beginning fund balance - cash basis	132	-	132	132	-
Ending fund balance - cash basis	\$ 82	-	82	414	332

Town of Tushka, Oklahoma  
Budgetary Comparison Schedule - Cash Basis  
Fire Department  
For the Year Ended June 30, 2022  
(Unaudited)

	<u>Original Budget</u>	<u>Budget Adjusts</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues					
County sales taxes	\$ 28,000	-	28,000	35,503	7,503
Charges, fees & donations	-	-	-	1,000	1,000
Grant proceeds	<u>56,826</u>	<u>-</u>	<u>56,826</u>	<u>4,763</u>	<u>(52,063)</u>
Total revenues	<u>84,826</u>	<u>-</u>	<u>84,826</u>	<u>41,266</u>	<u>(43,560)</u>
Expenditures					
Personal & professional services	2,500	-	2,500	2,052	448
Materials and supplies	10,000	-	10,000	2,991	7,009
Other charges and services	7,500	-	7,500	3,221	4,279
Capital expenditures	<u>171,188</u>	<u>-</u>	<u>171,188</u>	<u>3,374</u>	<u>167,814</u>
Total expenditures	<u>191,188</u>	<u>-</u>	<u>191,188</u>	<u>11,638</u>	<u>179,550</u>
Excess of revenues over or (under) expenditures	(106,362)	-	(106,362)	29,628	135,990
Transfers from General Fund	17,550	-	17,550	18,726	1,176
Transfers to Development Trust Fund	<u>(22,400)</u>	<u>-</u>	<u>(22,400)</u>	<u>(18,726)</u>	<u>3,674</u>
Excess of revenues and transfers over or (under) expenditures	(111,212)	-	(111,212)	29,628	140,840
Beginning fund balance - cash basis	<u>136,954</u>	<u>-</u>	<u>136,954</u>	<u>136,964</u>	<u>10</u>
Ending fund balance - cash basis	\$ <u>25,742</u>	<u>-</u>	<u>25,742</u>	<u>166,592</u>	<u>140,850</u>



Town of Tushka, Oklahoma  
Budgetary Comparison Schedule - Cash Basis  
Tushka Development Trust Authority  
For the Year Ended June 30, 2022  
(Unaudited)

	<u>Original Budget</u>	<u>Budget Adjusts</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance Positive (Negative)</u>
Revenues					
Rental revenues	\$ -	-	-	-	-
Loan proceeds	-	-	-	-	-
Total revenues	-	-	-	-	-
Expenditures					
Materials and supplies	-	-	-	-	-
Other charges and services	-	-	-	-	-
Debt service payments	22,400	-	22,400	14,088	8,312
Building construction	-	-	-	-	-
Total expenditures	22,400	-	22,400	14,088	8,312
Excess of revenues over or (under) expenditures	(22,400)	-	(22,400)	(14,088)	8,312
Transfers from Fire Dept Fund	22,400	-	22,400	18,726	(3,674)
Excess of revenues and transfers over or (under) expenditures	-	-	-	4,638	4,638
Beginning fund balance - cash basis	3,702	-	3,702	4,914	1,212
Ending fund balance - cash basis	\$ 3,702	-	3,702	9,552	5,850

See Accountant's Report

Town of Tushka, Oklahoma  
Schedule of Grant Activity -- Cash Basis  
For the Fiscal Year Ended June 30, 2022  
(Unaudited)

Grant Program Agency and Description	Total Grant Awarded	Beginning of the Year Unexpended Funds (Rev Receivable)	Current Year Receipts	Current Year Disbursements	End of the Year Unexpended Funds (Rev Receivable)
<b><u>Federal Award Programs</u></b>					
<u>Cares Act American Rescue Plan</u>					
Corona Virus SLFRF	\$ 34,407	-	34,407	-	34,407
Total Federal Award Programs		-	34,407	-	34,407
<b><u>State &amp; Other Award Programs</u></b>					
<u>Oklahoma Dept of Agriculture</u>					
Rural Fire Dept Assistance - FY 2018-22	\$ 4,763	-	4,763	4,745	18
<u>Oklahoma Tobacco Settlement Trust (TSET)</u>					
Walking Track / Sidewalk Construction	\$ 36,000	36,000	-	6,150	29,850
<u>Oklahoma District Attorneys Council</u>					
<u>Tushka Public Schools</u>					
On-site Police Resource Officer	\$ 14,900	-	14,900	14,900	-
Total State & Other Award Programs		\$ 36,000	\$ 19,663	\$ 25,795	\$ 29,868
Total Federal, State & Other Awards		\$ 36,000	\$ 54,070	\$ 25,795	\$ 64,275

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Specified Users of the Report:

Town Council, Town of Tushka  
Tushka, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

The Town's management is responsible for the following accompanying financial statements of the Town of Tushka, Oklahoma for the year ended June 30, 2022:

Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund – Cash Basis  
Budgetary Comparison Schedule – General Fund – Cash Basis  
Statement of Revenues, Expenditures and Changes in Fund Balance – Special Revenue Funds – Cash Basis  
Budgetary Comparison Schedules – Special Revenue Funds – Cash Basis  
Schedule of Grant and Award Program Activity – Cash Basis

The Town's management is also responsible for determining that the cash basis of accounting is an acceptable financial reporting framework and for designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements. The financial statements have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy and completeness of the information provided by the Town's management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, fund balances, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters

Additionally, we have performed the procedures enumerated below which were agreed to by the specified users of this report, as identified above, and as defined within the applicable state laws of the State of Oklahoma, solely to assist the Town in meeting its financial accountability requirements as prescribed by Oklahoma Statutes (Sec 11-17 (105-107)) and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2020. Management of the Town of Tushka is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed by Oklahoma Statutes. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

(continued)

### **Procedures and Findings**

As to the Town of Tushka as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibits 1 and 3) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** We noted no instances of fund balance deficits.

2. **Procedures Performed:** From the Town's trial balances and officially adopted budget documents, we prepared a budget and actual comparison schedule for the General Fund and all other significant funds (see accompanying Exhibits 2, 4, 5 and 6) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** We noted no instances of expenditures exceeding authorized appropriation limits at the legal levels of control (department totals for the General Fund and fund totals for Special Revenue Funds). However, as indicated in Exhibits 2 and 5, there were individual expenditure accounts within a department or fund that exceeded budgetary appropriation amounts as follows:

General Fund, Police Dept, Materials & Supplies - \$1,001  
Police Department Fund, Materials & Supplies - \$816

This condition occurred because necessary budget adjustments were not made to increase the appropriation amounts for these expenditure accounts. At the time budget work was being conducted in May and June of 2022, these expenditures were not projected to exceed appropriations and thus budget adjustments did not appear to be necessary. Although these individual expenditure accounts exceeded appropriations, departmental and fund appropriation totals were not exceeded and these expenditures did not result in negative year end fund balances. As such, no actual overspending occurred. The Town's management will attempt to make necessary budget adjustments in future years to prevent this condition from occurring.

3. **Procedures Performed:** We agreed the Town's material bank account balances to the bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** The Town's reconciled bank account balances agreed with the year-end fund balances in the accounting records and all reconciling items were properly accounted for.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** We determined that the Town's depository bank account balances were fully FDIC insured or properly collateralized as of June 30, 2022.

(continued)

5. **Procedures Performed:** We compared the use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance. Such revenues consisted of gasoline excise tax, motor vehicle tax, various designated sales taxes and grant proceeds.

**Findings:** We noted no instances of noncompliance regarding restricted revenues.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** All required funds have been established as required.

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** The Town did not have any outstanding debt issues which carried reserve requirements or debt service coverage requirements.

8. **Procedures Performed:** From the Town's trial balances, we searched for grant program activity, prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 7) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreements.

**Findings:** We noted no instances of noncompliance.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the AICPA to meet the requirements prescribed in Oklahoma Statutes. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion on the financial information and compliance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Walker & Tisdale CPA's PLLC*

WALKER & TISDALE CPA's PLLC  
January 4, 2023